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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: July 8, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division. The items are submitted to the City Council for referral to the Committees on July 8, 2014. In addition to the list of contracts submitted to the Clerk's Office on Thursday, July 3, this report also includes two Special Letters requesting approval of two contracts, that were submitted on July 1, 2014, to the City Council.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on July 8, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
General Services 1 Contract submitted by Special Letter	2	0	1 Added Purchases 1 Extension	1
Municipal Parking	1	0	0	1
Planning & Developmt	2	0	0	2
Public Lighting 1 Emergency Procurement	1	0	0	1
Public Works	1	0	0	1
Recreation 1 Emergency Procurement	1	0	0	1
Transportation 1 Contract submitted by Special Letter	1	0	1 Added Purchases	0
Totals	9	0 Detroit-Based Business Bids	2 Added Purchases 1 Extension	7

The Honorable City Council
Contracts and Purchase Orders, Statistics
Items Submitted for July 8, 2014

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This list represents expenditures totaling \$ 1,118,364.60¹

Included in the total costs are the following:

City General Fund	\$	354,700.00
General Obligation Bond Fund	\$	179,708.10
General Grants Fund	\$	161,535.90
Street Funds	\$	122,420.60
Transportation Grants Fund	\$	300,000.00

¹ This list includes: Contracts renewed / extended for 1 year, New contracts for 1 time purchases, payment of emergency services and terms of 1 to 3 years.

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: July 7, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED
AT THE FORMAL SESSION OF JULY 8, 2014**

GENERAL SERVICES

2895205 100% City Funding – To Provide Parts and Service for Detroit Diesel, Mercedes Benz Allison Transmission (Non-Coach) Parts – Contractor: Williams Detroit Diesel, Location: 4000 Stocker Avenue, Detroit, MI 48126 – Contract Period: June 1, 2014 through May 31, 2015 – Contract Amount: \$100,000.00

Costs budgeted to General Fund, Acct. 1000-470100-006004-622100-12153-0-A4510, Appropriation for Fleet Management includes available funding of \$16,985,222 as of July 3, 2014

This appears to be a request for an expansion of services and continuation of the services provided by this vendor for parts and repair services to Detroit Diesel and Mercedes Benz transmissions.

Two contracts, awarded based on the Request for Quotation No. 36892, were approved May 31, 2011; No. 2843616 was approved with Wolverine Truck Sales, and No. 2843617 was approved with Williams Midwest, Inc. to provide parts and repair services for Detroit Diesel and Mercedes Benz engines; Each contract was approved for a 3-year term, from June 1, 2011 through May 31, 2014 for a cost of \$125,000 over the 3-year term.

Contract 2843616 with Wolverine Truck Sales included a 25% discount from the manufacturer's price lists for parts and a labor rate of \$90 per hour.

Contract 2843617 with Williams Midwest, included a 20% discount from the manufacturer's price list, and labor rate of \$85 per hour and \$127.50 per hour for overtime.

This proposed contract (new contract number) is indicated to estimate expenditures of \$50,000 for Engine repairs/parts and \$50,000 for Transmission repairs/parts. The unit costs are also changed, from Contract 2843617, Regular Labor rate is increased from \$85 per hour to \$115 per hour; Overtime or Extraordinary repairs reduced from \$127.50 per hour to \$120 per hour; the discount from the manufacturer's price list for parts is reduced from 20% to 15%.

The address indicated above is incorrect, it should be 4000 Stecker Avenue, Dearborn, MI 48125.

City Council may wish to inquire about the reasons for the apparent changes to this contract, including the Contract Number and unit prices; and the status of the previous contracts, No. 2843616 with Wolverine Truck Sales, and No. 2843617 with Williams Midwest, Inc.

Contract checklist, dated April 3, 2014, indicates this contract is essential for the parts and services necessary to maintain Detroit Diesel and Mercedes Benz engines.

Covenant of Equal Opportunity Affidavit 3-1-11;
TAXES: Good Through 6-6-15 and 12-30-14;
Hiring Policy Compliance Affidavit signed 6-23-14, Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 4-14-14, indicating business established 1981, no records to disclose.

MUNICIPAL PARKING

2892393 100% City Funding – To Provide Towing Services for Abandoned Vehicles Citywide – Contractor: BBK Towing & Recovery, Inc., Location: 1821 Trombly St., Detroit, MI 48211 – Contract Period: July 1, 2014 through June 30, 2017 – Contract Amount Not to Exceed: \$51,000.00/ 3 years

Requesting a Waiver of Reconsideration.

Costs budgeted to General Fund, Acct. 1000-340083-000144-617900-00102-0-A3570, Appropriation for Parking Violations Bureau includes available funding of \$6,547,726 as of July 3, 2014.

This contract is for towing services for the Abandoned Vehicle Program, administered by the Municipal Parking Department. This is not a “bid contract.” Contracts are recommended with businesses that are currently Police-authorized towers, that have agreed to the terms of the Abandoned Vehicle Program. Currently, 10 contract are pending, with Municipal Parking to provide towing for the Abandoned Vehicle Program. All contracts are being submitted for the same terms, including a 3-year period from July 1, 2014 through June 30, 2017 for an estimated cost of \$51,000. The contracts include the option to extend the contract 2 additional years.

Municipal Parking has indicated their goal is to have vendors in different areas of the City, to respond to abandoned vehicles in their respective areas. Identifying and tagging vehicles as abandoned will continue to be done by Police officers.

Vehicles that are identified and tagged as abandoned are to be towed to the City Impound Lot at 6311 Caniff for the specified amount of \$125 per tow. Contractors are required to provide a minimum of 2 trucks dedicated to the performance of this contract; Services of contractor may be requested between 7 AM to 10 PM, 7 days per week.

Payment to the contractor to be based on the receipt of a monthly invoice providing details that include: Towing authorization number; Date of tow; Vehicle make, model, license plate (if possible) and vehicle identification number.

Contract checklist, dated May 30, 2014, indicates this contract is essential for the towing services to remove abandoned vehicles.

**Covenant of Equal Opportunity Affidavit 5-12-14;
TAXES: Good Through 5-15-15 and 7-31-14;
Hiring Policy Compliance Affidavit signed 5-12-14, Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 5-12-14, indicating business established 2002, no records to disclose.**

PLANNING AND DEVELOPMENT

2876167 100% Federal Funding – To Provide Public Services to the Homeless – Contractor: Detroit Rescue Mission Ministries, Location: 150 Stimson, Detroit, MI 48201 – Contract Period: October 1, 2012 through September 30, 2014 – Contract Amount: \$61,535.90

Costs budgeted to Discretionary Grant Fund, Acct. 2002-366145-0-651147/628500-11815-0-A3120, Appropriation for Emergency Shelter Grant includes available funding of \$871,970 as of July 3, 2014.

Funding provided from 2012-2013 Emergency Solutions Grant to provide funding to non-profit organizations that provide outreach, emergency shelter, homelessness prevention, rapid re-housing, transitional housing and/or essential support services for benefit of homeless citizens. Project Coordinator for the Agency is Barbara Willis.

This proposed contract is to enable the Agency to provide shelter and support services for an average minimum of 20 individuals per month, targeting specifically teen mothers with children. The Agency estimates services to be provided to a total of 38 teen moms and their children. Services to include: Transitional housing, Meals, Transportation services to mothers and their children to educational institutions, Parenting and Life Skills instruction, Counseling, and Educational/Recreational services.

Budgeted costs include: Personnel costs for \$29,821.75; Hygiene/Medical supplies for \$480; Vehicle gas & oil for \$1,222.40; Equipment maintenance for \$4,105; Utilities cost of \$21,731.75; Copier lease for \$1,800; Supplies, furnishings for \$500; Property Insurance for \$500; Licenses & Permits for \$1,375.

Contract checklist, dated March 17, 2014, indicates this contract is essential to comply with the HUD grant; contract awards based on the response to the Request for Proposals.

**Covenant of Equal Opportunity Affidavit 10-4-12;
TAXES: Good Through 2-24-15 and 8-15-14;
Hiring Policy Compliance Affidavit signed 10-9-12, Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 10-9-12, indicating no records to disclose.**

Planning and Development Department - *continued*

2893809 100% Federal Funding – To Provide Public Services to Homeless Women and Children
– Contractor: Cass Community Social Services, Location: 11850 Woodrow Wilson,
Detroit, MI 48206 – Contract Period: November 1, 2013 through December 31, 2015 –
Contract Amount Not to Exceed: \$100,000.00

Costs budgeted to Discretionary Grant Fund, Acct. 2002-361508-0-651147-13340-0-A3120, Appropriation for Emergency Solutions Grant includes available funding of \$2,311,576 as of July 3, 2014.

Funding provided from 2012-2013 Emergency Solutions Grant to provide funding to non-profit organizations that provide outreach, emergency shelter, homelessness prevention, rapid re-housing, transitional housing and/or essential support services for benefit of homeless citizens. Project Coordinator for the Agency is Terra Linzner.

This proposed contract is to enable the Agency to provide a women and Children's Warming Center, providing shelter for up to 50 households each day. The Shelter opens after Nov. 15 and operates through March 31. During the past year, 180 persons were provided shelter.

Services provided include: Temporary shelter, Meals, Laundry services, GED classes, Bus tickets for transportation needs, clothing, hygiene kits, blankets, sleeping bags, assistance to qualify for supportive housing or transitional housing. A new service to be initiated will be the Cass Community Social Services Beauty Shoppe available to clients of the Warming Center.

Budgeted costs include: Food and Supplies for \$7,500; Insurance costs of \$3,500; Laundry equipment for \$5,500; Rent for \$13,500; Maintenance Supplies for \$5,280; Taxes for \$6,500; Office Supplies for \$4,500; Security personnel for a cost of \$37,536; Outreach/advertisement costs of \$16,184.

Contract checklist, dated May 27, 2014, indicates this contract is essential to comply with the HUD grant; contract awards based on the response to the Request for Proposals.

**Covenant of Equal Opportunity Affidavit 4-2-14;
TAXES: Good Through 4-9-15 and 1-15-15;
Hiring Policy Compliance Affidavit signed 4-10-14, Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 2-10-12, indicating no records to disclose.**

PUBLIC LIGHTING

2893676 100% City Funding – Notification of Emergency Procurement as Provided by Ordinance No. 15-00 – Description of Procurement: Repairs to Distribution and Lighting System due to Storm on April 14, 2014 – Basis for the Emergency: Area Wide Black Outs and Non-Functioning Traffic Signals as well as Live Wires on the Ground Endangering the Populace – Contractor: TMC Alliance, Location: 5671 Trumbull Avenue, Detroit, MI 48208 – Contract Amount: \$179,708.10

Emergency

Costs budgeted to Obligation Bond Fund, Acct. 4510-380080-003142-622400-00966-0-SL845, Appropriation for PLD System Improvements includes available funding of \$201,516 as of July 3, 2014.

This request is for authorization to pay the invoice received for Emergency work required due to severe storms on April 14, 2014. The Public Lighting Dept.'s distribution and lighting systems were disrupted. This vendor, TMC Alliance was requested to provide the emergency services, according to Mr. Taylor, PLD Director, because of the business could provide immediate services and their familiarity with the PLD system.

The April 28, 2014 invoice received from TMC Alliance refers only to Storm Work for \$179,708.10.

Contract checklist, dated May 27, 2014, indicates this contract is essential for repairs to equipment damaged by storm.

Covenant of Equal Opportunity Affidavit 9-10-13, provided for a previous contract;
TAXES: Good Through 5-29-15 and 12-30-14;
Hiring Policy Compliance Affidavit signed 9-10-13, Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 9-10-13, indicating business established 2011, no records to disclose.

The vendor, TMC Alliance, has been awarded 2 previous recent Emergency Procurement contracts: No 2886478 was approved Jan. 21, 2014 to repair damage to PLD's distribution system, restoring down lines from a wind storm Nov. 16-29, 2013; Services required to restore services to schools and City Airport;

No. 2889631 was approved May 13, 2014 to restore power lines and replace potheads due to windy conditions causing utility poles to fall or tree branches to fall causing hazardous conditions with down power lines.

PUBLIC WORKS

2895430 100% City Funding – To Purchase a Truck with an attached Aerial Lift – Contractor: Jorgensen Ford, Location: 8333 Michigan Avenue, Detroit, MI 48210 – Contract Amount: \$122,420.60

Sole Bid

Costs budgeted to 2 Street Fund accounts: Major Street Fund, Acct. 3301-193826-000048-644600-06424-0-0, Appropriation for Operations includes available funding of \$47,790,413; and Local Street Fund, Acct. 3302-190870-000050-644600-04190-0-0, Appropriation for Capital costs includes available funding of \$20,476,151 as of July 3, 2014.

6 Bids solicited, 1 Bid received on Open Market for the purchase of a truck with a 30-foot telescopic aerial lift. This purchase is indicated to be required to replace an older model.

The Sole bid was submitted by Jorgensen Ford.

According to an email received from Mr. Jose Abraham, Deputy Director of DPW, 2 similar trucks can be provided by Public Lighting Department, that will address the needs; Mr. Abraham requested the bids for this item be cancelled.

City Council may wish to confirm the cancellation of this Purchase Order.

Contract checklist, dated June 27, 2014, indicates this purchase is essential to acquire equipment necessary for certain jobs.

Covenant of Equal Opportunity Affidavit 4-1-13;

TAXES: Good Through 7-17-14 and 7-31-14;

Hiring Policy Compliance Affidavit signed 6-8-12, Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 1-24-12, indicating business established 1999, no records to disclose.

RECREATION

2895425 100% City Funding – Notification of Emergency Procurement as Provided by Ordinance No. 15-00 – Description of Procurement: Emergency Electrical Repairs at the Northwest Activity Center – Basis for the Emergency: To Maintain the Operations and Security of the Northwest Activity Center – Contractor: W-3 Construction, Location: 7601 Second Avenue, Detroit, MI 48202 – Contract Amount: \$78,700.00
Emergency: April 21, 2014.

Costs budgeted to General Fund, Acct. 1000-470007-006004-617900-11825-0-A4510, Appropriation for Administration includes available funding of \$855,731 as of July 3, 2014.

This request is for payment of the costs for emergency electrical repairs at Northwest Activities Center. The Emergency Procurement was initiated by Mr. Brad Dick, Director of the General Services Dept on June 24 and approved by Purchasing on June 27, 2014.

According to Mr. Dick, on April 21, 2014, the Center experienced a power outage; DTE determined that the electrical problem at Northwest Activities Center was causing damage to their primary power feed, requiring that all power to the building to be turned off. It was determined that a short existing in the main underground power feed to the building.

Loss of electricity resulted in all services provided from the Center to shut down, including DESC, employment agency, Police facility, loss revenue, 24-hour security for the Center had to be provided. Continued shutdown of the Center would have created significant expenses and potential harm. Mr. Dick states there was no way to have foreseen the potential for this power failure.

W-3 Construction was selected as the vendor because of their willingness to respond immediately, and their ability to coordinate various work trades necessary to make the electrical repairs.

In addition to W-3 Construction that coordinated and managed the work to resolve the power failure, sub-contracts were identified with the following vendors:

J.J. Barney for pavement patching; Power Lighting Technology for electrical investigation; Detroit Power Systems for structural steel; DTS Contracting for miscellaneous site work.

Contract checklist, dated June 30, 2014, indicates this contract is essential to address an emergency situation.

Covenant of Equal Opportunity Affidavit 6-6-14;

TAXES: Good Through 10-8-14 and 7-31-14;

Hiring Policy Compliance Affidavit signed 6-6-14, Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 6-6-14, indicating business established 1987, no records to disclose.

GENERAL SERVICES

The following contract was submitted as a Special Letter, dated July 1, 2014.

2796123 100% State Funding; Moving Services - Need Additional Funds to Move Departments for Space Planning. Contractor: BDM, LLC, 1301 @. Lafayette, Ste. 419, Detroit, MI 48226. Contract Period: June 15, 2009 through March 15, 2015; Increase Amount: \$125,000 for Contract Total Amount Not to Exceed \$2,494,159.00

Previous contract amount is \$2,369,159.00.

Costs budgeted to General Fund, Acct. 1000-470010-006004-622200-11830-0-A4510, Appropriation for Facilities and Grounds Maintenance includes available funding of \$9,172,136 as of July 3, 2014.

This request is to increase the authorized expenditures by \$125,000, under this contract for the current term, through March 15, 2015.

The contract was initially approved June 23, 2009 for a term of 3 years, through June 2012,j for estimated expenditures of \$200,000 per year, for a total of \$600,000. The rate for services was approved at \$23 per hour, with no additional fees for van use, cartons, containers or cancellation fees. The contract includes options to renew for 3 additional years.

Over the term of this contract, costs have been significantly increased due to the consolidation efforts of City offices and movement of offices to new facilities. Recent increases have included:

Increase of \$20,000 to a total of \$1,419,400, approved March 26, 2013 to move furniture and equipment out of Human Service Offices that were being closed;

Increase of \$437,750 and renewal of the contract for the period from March 15, 2013 through March 15, 2014 was approved May 1, 2013;

Increase of \$150,000 and renewal of the contract from March 15, 2014 through March 15, 2015 was submitted and approved the Week of December 16, 2013;

Increase of \$212,000 to a Contract Total of \$2,369,159.44 was requested by the Police Dept. and approved March 11, 2014 to move several Police Units from leased property to the new Public Safety Headquarters or other City-owned facility.

General Services does not indicate any specific departments or offices, the only indication is, as printed above, the additional funding is needed to move departments for space planning project in the Coleman A. Young Municipal Center.

Contract checklist, dated June 24, 2014, indicates this contract is essential for services to move various City departments.

Covenant of Equal Opportunity Affidavit 2-17-11;

TAXES: Good Through 8-18-14 and 7-31-14;

Hiring Policy Compliance Affidavit signed, Not Dated, Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 6-30-14, indicating business established 2005, no records to disclose.

TRANSPORTATION

The following contract was submitted as a Special Letter, dated July 1, 2014.

2877933 20% State Funding, 80% Federal Funding; To Provide OEM Parts for Gillig Transit Coaches; Contractor: Gillig, LLC, 25800 Clawiter, Hayward, CA 94545. Contract Period: May 1, 2013 through April 30, 2016; Contract Increase: \$300,000.00 for a Total Contract Amount Not to Exceed \$675,000.00

Original Contract Amount is \$375,000.00; Waiver of Reconsideration Requested.

Costs budgeted to Transportation Grants Fund, Acct. 5303-208259-000058-622100-10330-0-DOT51, Appropriation for Federal/State Capital Grants includes available funding of \$129,075,125 as of July 3, 2014.

This request is to increase the authorized expenditures under this contract by \$300,000 to a total of \$675,000 for the period from May 2013 through April 2016.

This contract was 1 of 2 contracts recommended and approved for the procurement of general parts, as needed, including mechanical, electrical, powertrain and coach body parts. The 2nd contract was No. 2878095 with Kirk's Automotive, also recommended for the same term of May 1, 2013 through April 30, 2016 for an estimated cost of \$375,000. Both contracts were approved May 7, 2013.

According to the Purchasing File, a total of \$373,775.17 had been expended from this contract, as of May 15, 2014. The Department did not provide a specific reason for the increased expenditures with this vendor.

Contract checklist, dated March 15, 2014, indicates this contract is essential for the procurement of parts to repair coaches.

Covenant of Equal Opportunity Affidavit 3-5-13;

TAXES: Good Through 9-5-14 and 12-30-14;

Hiring Policy Compliance Affidavit signed 2-8-13, Employment application DOES include a question if applicant convicted of a crime or serious traffic violation in last 7 years - Waiver of this Policy is requested;

Slavery Era Records Disclosure Affidavit signed 2-8-13, indicating business established 1890, no records to disclose.